

Prospects and Issues in Implementation of Social Health Insurance in Balochistan, Pakistan.

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ABSTRACT: *The Public health situation at Pakistan in general and particularly in Baluchistan province is not satisfactory. The main responsibility of every government is provision of better and standard public health care coverage. Most of developed and some developing countries have achieved these objectives by successful implementing of Social Health Insurance (SHI). The 57th World Health Assembly in May 2005 has adopted the resolution which has emphasized on sustainable and universal health coverage through enactment of general taxation and social health insurance. Pakistan is still in the process of trial and error and could not implement any social health insurance in any of its province. The province of Baluchistan is facing same public health care issues like of other provinces. There are acute shortage health care resources in some hospitals but in some cases the available resources are under-utilized properly. The present study is based on secondary data collected by reviewing different relevant articles and derived an appropriate model and suggestion for successful implementation of social health insurance in Balochistan. The solution for these problems is implementation of SHI in province. In this regard at first stage the Ministry of Health the Government of Balochistan needs to pass special bill from the Provincial Assembly of Balochistan for implementation of social health insurance in the province. Then Ministry of Health Balochistan needs to develop a pool of health care fund and accumulate funds from various sources, sufficient for provisions of health care services. Then the health ministry should start the awareness program so that large number of people can participate in the new health care system. If the government is successful in implementation of Social Health Insurance it will be able to provide quality health care services and will be in position to universal health coverage.*

KEY WORDS: *Social Health Insurance, Universal Health Coverage, Social Health Insurance financing Models, Health Care Sources of funds.*

I. BACKGROUND

Balochistan is one of the largest area wise but least populated province of Pakistan. The health situation of province is not satisfactory also nor different from the other provinces of Pakistan. The Health sector here shows a very miserable state. As per Pakistan Human Development Index Report (2017) Pakistan falls in the medium category with a health index of 0.79 for 2015 whereas In Balochistan, the health index situation is more miserable 16 out of 28 districts fall in the very low or low health category. Taking into consideration the health index over time for the last ten years shows that a majority of districts have experienced a decline in health outcomes throughout Pakistan. Whereas in Balochistan, more than 50 percent of districts – 12 out of 22 – for which decade-old data is available, including Quetta, have experienced a decline in their health index. In present era in most developing countries the government and health policy makers are struggling for introduction and implementation of social health insurance in order to confirm large population access to better and appropriate health services. For achievement of this objective the government needs to make provision for equitable and effective health financing which should be affordable by all sections of population.

The 57th World Health Assembly which was held in May 2005 has adopted the resolution which has emphasized on sustainable and universal health coverage through enactment of general taxation and social health insurance. In Asian Pacific region the most of the countries have implemented the social health insurance which has able them in broad health coverage. There social health insurance policy is based on the basic principles of social solidarity. We can quote the practical evidences of Japan and the Republic of South Korea where both of these countries successfully implemented social health insurance and were able in equitable and efficient delivery of health care services. We have some other countries like China, India, Indonesia, Mongolia, Philippines, Thailand and Vietnam where they successfully implemented social health insurance at their public sectors and then slowly and gradually extended it to their informal sector. In Pakistan Social Health Insurance is not successfully implemented in any province. In KPK in early 1990s, the World Bank and Japanese government have supported health insurance on experimental basis which was later dropped (Nishtar, S., 2008).

The federal government has tried several times and government of Punjab constituted a task force to initiate Social Health Insurance (SHI) but both of them were failed to implement. The Asian Development Bank has provided technical assistance to the government of Pakistan for social protection in 2005 which has identified five areas including social insurance but still the government failed to operationalize it. Regional experience and evidence show that the Social Health Insurance (SHI) is an attractive and feasible option for low and middle-income countries like Pakistan, if it is appropriately designed. For successful implementation it requires full and strong support from the government. But for successful implementation in undeveloped province of Balochistan the government and health policy makers will certainly face some challenges in the process of development and delivering of an effective social health insurance system. This paper addresses the main challenges in the practical implication and extensive coverage of social health insurance in Balochistan, Pakistan.

Statement of the Problem: The Health care financing is not a local issue now it is emerging as global problem and rising as a challenge for the government as well as to the health policy makers. It is the responsibility of every state to provide adequate funds for provision of sustainable health care facilities; the province of Balochistan is not an exceptional case. All over the world all public governments try innovative ways of providing Health care services to its masses at affordable prices and equitably. By taking into consideration the above situation, the present study is designed to find out the prospects and issues related to implementation of social health insurance mechanism for provision of health care services in the province of Balochistan, Pakistan.

Objectives of the Research

The study focused on the following main objectives.

- To deliberate on present health situation at Balochistan and to find out solution for providing quality health services.
- To see the possibility for implementation of social health Insurance in Balochistan.
- To find out various available sources of funds for implementation of social health insurance.
- To study various health insurance model implemented worldwide and suggest most convenient model for Balochistan health system.
- To focus on various challenges and issue for implementation of social health insurance in Balochistan.

Research Questions: The study main objective is to investigate the prospects and issues related to the implementation of social health insurance in health care services in the Province of Balochistan, Pakistan. To attain these objectives of the study following key research questions were developed:

- What are the different types of funding mechanisms available that can be adopted to finance health care facilities in province of Balochistan. Pakistan?
- What are the prospects and main challenges in implementation of social health insurance in the provision of health care services in Province of Balochistan, Pakistan?

II. LITERATURE REVIEW

Social health insurance is defined as way of pooling resources and contributions from enterprises, households and government in order to address the financial health coverage of general public (Carrin 2002, WHO 2004). Social Health Insurance scheme is generally means as health insurance scheme provided by the government to its public especially poor section of the community. The Social Health Insurance has a capacity for mobilization of revenues, enhancement of health's sector performance and provision of universal health coverage (Bayarsaikhan, 2005). The Social health insurance is one of the best choices for equitable and reasonable contributions towards public health support.

The (Berkhout, 2008) has identified the following advantages favoring social health insurance which will ultimately help in enhancement of financing and improve access to health care in poor countries.

- a. Health insurance may increase resources for health care.
- b. For health insurance scheme the funds may be more accurately predictable as compare to tax financing.
- c. The pooling of resources will help in cross-subsidies between rich and poor as well as among sick and healthy.
- d. Health insurance may help in reduction of uncertainty among citizen and provide financial protection against impoverishment which arises due to illness.

- e. Health Insurance helps in improvement of health care facilities by bifurcating purchasing and provision services.
- f. People are willing to pay for health insurance as compare to taxes as they are sure that they will get health care services against their contribution.

Bayarsaikhan, (2005) has quoted five types of financing for provision of health care services which any country can adopt. These include Taxation; Social Health Insurance; Voluntary and private health insurance; out-of-pocket or cash -and -carry; and donation. Most of the advanced countries like U.K, USA, France and Germany generally finance public health through general taxation whereas underdeveloped countries depend upon service users and also on financing through the donors. At present worldwide identification of suitable and sustainable source of financing is one of the major issues of discussion among policy makers; health financiers; donor and other stakeholders (Joint NGO briefing Paper, 2008).

Funding Sources: It has been observed from the literature that different counties pool up funds from different sources for providing effective, efficient and equitable health care services. Different types of funding sources are available for funding health care sectors i.e. taxation, grants loans and donations, social and private insurance, medical saving account and out-of-pocket payments (Bayarsaikhan, 2005; A.Addae-Korankye; 2013).

- **General Taxation :** Commonly high income countries like United State of America, United Kingdom and Germany generally finance health sector through general taxation. In these countries local and regional taxes are the main source of funds for financing health care facilities. Countries, such as Sri Lanka, Malaysia and Brazil, also have funded their health care through tax revenue for achievement of universal health coverage (OXFAM, 2013). It has been observed from the literature that financing health care activities through general taxes is described as the most stable and reliable source of funds generation (Korankye; 2013).
- **Social Health Insurance :** One of the most emerging channels of health care financing in both advanced as well as in underdeveloped countries is through social health insurance. In social health insurance contribution from members is pooled in a health fund to meet health expenditure. The health department may impose fixed compulsory insurance contribution on employees as a percentage of their salaries and on employers a similar or higher payroll tax is levied. In case of non-formal employees insurance beneficiaries may contribute premium which can be measured on the basis of their income or wealth such as value of their crops (Khattak F.H; 2001). In some situation government also contribute to such scheme. Social Health Insurance has been achieving its objective of universal coverage in developing countries whereas in underdeveloped counties its implementation in true sense is not materialized (Joint NGO briefing Paper, 2008).
- **Charitable and Voluntary Contributions :** It may be one of the main sources contributed by religious organizations, wealthy families, business enterprises or private individual in shape of personal services, physical facilities, equipment and supplies (Khattak; 2001). The funds may be generated from Zakat which is compulsory contribution on those Muslims who have more than specific limit of assets position. The government can also provide fund from this source apart from this general public directly contribute their zakat from their own. This source can be used only for poor and needy people only.
- **Loans, Grants and Donations:** In some underdeveloped countries funds are collected through loan, grant and donations for financing health care activities. The contribution in such funds is made by International NGOs, bilateral or multilateral donor countries. Some problem which may arises due to such source of finance are; un-sustainability of financial health care system and successive governments need to reimburse loans ration which will become financial burden for them (Korankyek; 2013).
- **Out of Pocket payment:** In most underdeveloped countries health care rely on general revenue of service users making out of pocket payment and some also looking toward international donor support (Hsiao & Shaw, 2007; (Berkhout, 2008). It is a direct payment which is made by the household to the supplier of health care services for availing the services or supplies (Khattak, 2001). It is one of the most important sources of funds in some countries.

The Social Health Insurance Financing Models : The following three Social Health Insurance financing models defined by A.Addae-Korankye., 2013 as:

- **Social Health Insurance :** Social Health Insurance is generally finance by the government by levying tax on the masses and transferring amount so collected to the common pool of fund created by the health department for bearing all health related expenditure. Besides funds so collected by the government via taxes the ministry of health can also collect funds by imposing fixed compulsory insurance contribution from employees of the government departments which are availing health care services from health department. Moreover health department will collect membership fee from the general public who will take membership in social health care scheme. The government collects funds from various sources and shifts them to the common pool of social health insurance created by the health department. The health will bear all expenditure incurred from funds generated by health department and have shifted to the common pool.
- **Community Based Health Insurance:** The Community based Health Insurance also known as mutual health insurance is commonly offered by local communities to its members on not-for-profit mechanism. Mostly such types of schemes are offered to the poor people in rural areas. The main limitations of community-based health insurance are financial sustainability and lack of managerial capacity (Joint NGO briefing Paper, 2008).
- **Private Health Insurance:** In private health insurance a person need to seek membership of private health insurance scheme and get health care services for which he pay regular annual premium to the insurance company.

III. METHODOLOGY

The present study is a desk review based on already published materials on the topic. The data is collected from various articles and health reports published in various articles.

The Prospects and Issues in implementation of Social Health Insurance: It is a desire of every state to provide best and equitable health services to its entire citizen but due to lack of financial resources it is not possible to achieve this objective. The achievement of this prime objective depends upon the government's development of adequate and sustainable financial system. As after 18th amendment in the Constitution of Pakistan the provision of health services is the responsibilities of the provinces. For achievement of universal health coverage the main responsibilities of provision of health services lie on the ministry of health the government of Balochistan to take concrete steps for initiation of social health insurance scheme. In this regard the provincial government needs to pass special act from the Provincial Assembly of Balochistan for implementation of social health insurance in the province. In Balochistan, majority of its population is residing in rural far flung areas, where communication is the major problem due to which people could not get benefit from public health services. So, question arises that how this section of population will be covered through Social Health Insurance. Secondly, most of the people are either unemployed or self-employed who are engaged in agriculture, animal rearing and micro businesses. In most of the countries, where Social Health Insurance is successfully implemented, beneficiaries are only salaried people from public or private sector because it is very easy for the health care provider to collect insurance premium from this section of community. Whereas it is very difficult to get it from self-employed or unemployed. Salaried people represent very minor population of the whole so providing health care services through social health insurance will not lead to the universal coverage. The Balochistan health department may face same problem to achieve broader objectives of universal coverage.

In Pakistan in general and Balochistan in particular majority of family live jointly and due to joint family system most of them are family dependent. In such a situation it is not possible for the head of the family to pay health insurance premium for every member. It has been observed that most of the governments provide free or subsidized health services to poor or dependents of family but due to lack of budget and unhealthy public policy such facility could not reach to the target population (Bayarsaikhan, D., 2005). If the government wants to achieve universal health care services it should provide health care services to these dependent of the family through social health insurance by shifting some health insurance funds from low risk paying members to the family dependents this government policy definitely helpful in better health coverage and proper implementation of social health insurance. In most of underdeveloped countries majority of the population consists of poor or low-income group, such groups of population is also excluded from social health insurance scheme as they cannot afford to contribute in the health insurance funds. In these countries the World Health

Organization, other international donor agencies and non-government organization provide health protection to the members of such groups.

IV. CONCLUSION AND RECOMMENDATIONS:

The issue of provision of better health care services needs to be addressed on priorities basis. The Social Health Insurance is one of the solutions for provision of better and universal coverage of health care services. This tool has been universally applied for achievement of provisions of quality, equitable and universal health care services both in developed as well undeveloped countries. The main hurdle in the achievement of this goal in Pakistan particularly in the province of Balochistan is the provision of sufficient funds and changes in the existing health care structure and policy. In this regard the Ministry of Health the Government of Balochistan needs to take concrete steps to initiate social health Insurance scheme, for this purpose the provincial government has to pass special act from the Provincial Assembly of Balochistan for implementation of social health insurance in the province.

The Government needs to develop a pool of health care fund and accumulate funds from various sources which should be sufficient for provisions of health care services. Then the health ministry should start the awareness program so that large number of people can participate in the new health care system. In the first stage membership should be given to the provincial government employee. At second stage voluntary membership will be offered to those people who want health care service from government scheme. Membership fee will be charge on the basis of age group those who are young and who are less riskier from the point of health need to be charge low fee charges whereas the old age members of the family who have a high risk need to be charged high fee. Those who are poor and dependent they will be granted special membership and nominal annual membership fee will charged from them but their expenses of treatment will be born from special fund which will be created from charity or zakat fund.

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